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April 1, 2002

William F. Caton
Acting Secretary
Federal Communications Commission
Office of the Secretary
445-12th Street, SW
Washington, DC 20554

Dear Mr. Caton:

Attached please find an original and four (4) copies of Yorkshire Global Restaurant, Inc.'s ("Yorkshire") Petition for Waiver of Section 1.1102 of the Rules of the Federal Communications Commission. As required by Section 1.1117(e) of the rules, this Petition is being submitted simultaneously with Yorkshire's Form 159 and the associated filing fee.

Should you have any questions concerning this matter, please contact the undersigned.

Sincerely,

Tashir J. Lee

/tjl

cc: Jeffrey Tobias, WTB
Sandra Danner, WTB
Michael Wilhelm, WTB
Mary Schultz, WTB
John Borkowski, WTB
Annette Richie, WTB
James Brown, WTB

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C.

In the Matter of	)	
	)	
Request for Waiver of	)	**Docket No. _____**
Section 1.1102 of the	)	
Commission's Rules	)	

To: Office of Managing Director

PETITION FOR WAIVER

Yorkshire Global Restaurants Inc. ("Yorkshire"), on its behalf and on behalf of Long John Silver's, Inc.("LJS"), currently a subsidiary of Yorkshire, pursuant to Sections 1.3 and 1.1117(e) of the Commission's rules, hereby requests that the Commission waive Section 1.1102 of its rules, which imposes a fifty dollar ($50) regulatory fee on an applicant for consent to the assignment of a private mobile radio service license.[1] On March 22, 2002, LJS filed with the Commission an application for consent to assign 577 business radio licenses (the "Licenses) to Long John Silver's, Inc. (Debtor in Possession) ("LJSDP").[2] The fee for this *pro forma* assignment would otherwise be $28,850. However, it is the Commission's policy to "waive the regulatory fees for licensees whose stations are bankrupt, undergoing Chapter 11 reorganizations

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[1] As required by Section 1.1117(e) of the rules, this petition is being submitted simultaneously with LJS's Form 159 and the associated filing fee.

[2] Application file number 0000821516.

or in receivership."[3] As set forth in more detail below, Yorkshire requests that the Commission waive the regulatory fees in this instance and refund the accompanying payment in accordance with Section 1.1113(a)(5) of its rules.

DISCUSSION

In 1998, prior to Yorkshire acquiring ownership of LJS, Long John Silver's Restaurants, Inc., on its own behalf and on behalf of all of its subsidiaries, including LJS, filed a petition in the United States Bankruptcy Court for the District of Delaware seeking to reorganize the company under Chapter 11 of the United States Bankruptcy Code.[4] As part of the disposition of that matter, Yorkshire purchased LJS out of bankruptcy in 1999.[5] Under the Commission's rules and jurisprudence, the act of filing bankruptcy and the emergence from bankruptcy each results in a change of licensee ownership that requires prior Commission consent. Thus, the Commission's consent was required both for the assignment of the Licenses to LJSDP and for the transfer control of the Licenses to Yorkshire. Due diligence recently conducted by Yorkshire in the context of negotiating an agreement to sell LJS revealed that the Commission's consent was not obtained in either instance.

Yorkshire immediately contacted the Commission when it discovered the LJS licensing deficiencies. On March 8, 2002, counsel for Yorkshire met with Commission Staff to attempt to

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[3] *Implementation of Section 9 of the Communications Act Assessment and Collection of Regulatory Fees for the 1994 Fiscal Year,* MD Docket No. 94-19, Memorandum Opinion and Order, ¶ 14, FCC 95-257, 10 FCC Rcd 12759 (rel. June 22, 1995). ("MO&O")

[4] *In Re: Long John Silver's Restaurants, Inc., et al.*, Case Nos. 98-1164-69.

[5] Attached as Exhibit A is a copy of the LJS bankruptcy order.

(footnote continued to next page)

resolve the licensing matters.[6] Staff instructed LJS to recreate the required licensing "regulatory trail" by, first, filing an application for consent to the *pro forma* assignment of the Licenses to LJSDP, and then, after Commission action on the first application, to file a second application for consent to transfer control of the Licenses from LJSDP to Yorkshire. Upon filing the assignment application, Yorkshire was shocked to discover that it may be held responsible for the former LJS owners' significant regulatory fees – fees that could have been waived had the former LJS owners filed the requisite application and requested a waiver of the fees at the time of bankruptcy.

Yorkshire requests that the Commission waive the fees assessed for the *pro forma* assignment of the Licenses from LJS to LJSDP. There are three compelling reasons for granting the requested fee waiver: (1) Had the original LJS owners requested waiver of the assignment application fees upon entering bankruptcy, the Commission almost certainly would have granted such relief.[7] (2) Yorkshire did not own LJS at the time of the bankruptcy filing and should not be

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(footnote continued from previous page)

[6] Undersigned counsel were present for Yorkshire. John Borkowski (WTB), Jeff Tobias (WTB), Michael Wilhelm (WTB/Enforcement), Mary Schultz (WTB), Annette Richie (WTB), and Sandra Danner (WTB) were present for the Commission.

[7] *See* MO&O at ¶ 14 ("Evidence of bankruptcy or receivership is sufficient to establish financial hardship. Moreover, where a bankruptcy trustee, receiver, or debtor in possession is negotiating a possible transfer of license, the regulatory fee could act as an impediment to the negotiations and the transfer of the station to a new licensee. Thus, we will waive the regulatory fees for licensees whose stations are bankrupt, undergoing Chapter 11 reorganization or in receivership.") *See also MobileMedia Corporation, et al*, WT Docket No. 97-115, Memorandum Opinion and Order, FCC 99-15, 14 FCC Rcd 8017, ¶ 40 (rel. Feb. 5, 1999) ("We find that MobileMedia's bankruptcy establishes good cause for waiver of the filing fee.")

held responsible for the regulatory fees of the former LJS owners. (3) Yorkshire has been proactive and forthright with the Commission in attempting to resolve the LJS licensing matters.[8]

Wherefore, in light of the foregoing, Yorkshire respectfully requests that the Commission grant this request for waiver and refund to Yorkshire the $28,850 application fee filed simultaneously herewith.

Respectfully submitted,

YORKSHIRE GLOBAL RESTAURANTS, INC.

By: _____

Mark J. Tauber
Tashir J. Lee

Piper Marbury Rudnick & Wolfe LLP
1200 19th Street, N.W.
Suite 700
Washington, D.C. 20036
(202) 861-3900

Its Attorneys

Date: April 1, 2002

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[8] Despite the possibility of an enforcement action, Yorkshire revealed to the FCC that the former LJS owners did not comply with the Commission's assignment and transfer of control rules. Staff has indicated that there is still a possibility that LJS could face a forfeiture action. Forcing Yorkshire to pay the assignment application fee and imposing a monetary penalty for LJS's former owners' failure to file a *pro forma* application would be excessive.

ORIGINAL

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re:	:	
	:	Chapter 11
LONG JOHN SILVER'S RESTAURANTS, INC., et al.,	:	Case Nos. 98-1164 to 98-1169 (MFW)
Debtors.	:	(Jointly Administered)

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER UNDER SECTION 1129(a) OF THE BANKRUPTCY CODE AND RULE 3020 OF THE BANKRUPTCY RULES CONFIRMING DEBTORS' AMENDED JOINT PLAN OF REORGANIZATION DATED JUNE 28, 1999

CERTIFIED: AS A TRUE COPY: ATTEST: STEPHEN D. TAYLOR, CLERK U. S. BANKRUPTCY COURT BY

RECITALS

A. Long John Silver's Restaurants, Inc. ("LJSR" or the "Company"), Abbott Advertising Agency, Inc., Florenz, Inc., Long John Silver's Properties, Inc., QSC, Inc. ("QSC") and Long John Silver's, Inc. ("LJS"), the above-captioned debtors and debtors in possession (each a "Debtor," and collectively, the "Debtors"), filed the Debtors' Amended Joint Plan Of Reorganization, dated June 28, 1999 (the "Plan") and the Debtors' Amended Disclosure Statement Pursuant to Section 1125 of the Bankruptcy Code for the Amended Joint Plan Of Reorganization, dated June 28, 1999 (the "Disclosure Statement"). All capitalized words contained herein and not otherwise defined herein shall be defined for purposes hereof as defined in the Plan.

B. On May 28, 1999, the Debtors filed a motion seeking the entry of an Order (i) approving the Joint Disclosure Statement of Debtors in Connection with Solicitation of Ballots with Respect to Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code, dated May 28, 1999, (ii) approving the Debtors' proposed

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solicitation package relating to Debtors' Joint Plan of Reorganization, dated May 28, 1999, (iii) approving the form and manner of notice of the hearing on confirmation of the Debtors' Plan, (iv) establishing a record date and approving procedures for distribution of solicitation packages, (v) approving forms of ballots, (vi) establishing the last date for the receipt of ballots, (vii) approving procedures for tabulating acceptances and rejections of the Plan, (viii) establishing a deadline and procedures for filing objections to confirmation of the Plan, (ix) establishing a bar date for administrative claims, (x) approving the procedure for and form of notice of the amount of cure payments under executory contracts and unexpired leases, and (xi) granting related relief. Notice of the hearing to consider approval of the Disclosure Statement and the last day for filing objections to the Disclosure Statement was sent on or about May 28, 1999, by first class mail, postage prepaid, to all of the Debtors' known creditors, equity security holders, the office of the United States trustee and the District Director of Internal Revenue for the District of Delaware. Affidavits of service attesting to the fact that such notice was given have been filed with the Court.

C. On June 28, 1999 at 2:00 p.m., this Court held a hearing to consider the adequacy of the Disclosure Statement. On June 30, 1999, this Court entered an Order (i) Approving Amended Disclosure Statement, (ii) Approving Solicitation Package and Form and Manner of Notice of Confirmation Hearing, (iii) Scheduling Confirmation Hearing, (iv) Establishing Record Dates and Approving Procedures for Distribution of Solicitation Packages, (v) Approving Forms of Ballots; (vi) Establishing Last Date for Receipt of ballots, (vii) Approving Procedures for Vote Tabulation, (viii) Establishing Deadline and Procedures for Filing Objections to Confirmation of the Plan, (ix) Establishing a Bar Date for Administrative Claims, (x) Approving Procedures

Related to, and Approving Form and Manner of Notice of, Cure Payment Amounts, and (xi) Granting Related Relief (the "Disclosure Statement Order").

D. On or about July 6, 1999, pursuant to the terms of the Disclosure Statement Order, the Debtors caused Apple Direct Mail Services Ltd. (the "Mailing Agent") to timely mail:

(i) to holders of Class 1 Claims, Class 4 Claims and Class 5 Claims entitled to vote on the Plan, (A) the Disclosure Statement (with the Plan attached as an exhibit), (B) a notice of the confirmation hearing substantially in the form attached as Exhibit A to the Disclosure Statement Order, (C) a ballot, (D) a recommendation letter from the Debtors' Chief Executive Officer, (E) a recommendation letter from the Creditors' Committee and (F) a notice of the last date for filing proofs of administrative claims against the Debtors, substantially in the form attached as Exhibit G to the Disclosure Statement Order (the "Administrative Bar Date Notice");

(ii) to holders of Class 2 Claims and Class 3 Claims (A) a notice of the confirmation hearing substantially in the form attached as Exhibit C to the Disclosure Statement Order and (B) an Administrative Bar Date Notice; and

(iii) to holders of Class 6 Interests and Class 7 Interests (A) the Disclosure Statement (with the Plan attached as an exhibit), (B) a notice of the confirmation hearing substantially in the form attached as Exhibit E to the Disclosure Statement Order and (C) an Administrative Bar Date Notice.

The items listed in clauses (i), (ii) and (iii) of this paragraph D collectively are referred to herein as the "Solicitation Packages." The Mailing Agent has filed with the Court an Affidavit of Mailing of the Solicitation Packages (the "Affidavit of Mailing").

E. On August 4, 1999, the Court held a hearing to consider approval of the Stipulation and Agreed Order Resolving Objections to Proofs of Claim Filed By the Official Committee of Franchisees and Individual Franchisees Party Hereto (the "Franchisee Stipulation"). On the record at such hearing, counsel for the Debtors and the Franchisee Committee stated that additional franchisees of the Debtors could become Consenting Franchisees (as defined in the Franchisee Stipulation) at or prior to the

Confirmation Hearing. The Franchisee Stipulation was approved by the Bankruptcy Court on August [10], 1999.

F. On August 6, 1999, the Debtors filed with the Court the "Trust Agreement for LJS Plan Liquidating Trust" (as the form of such agreement may be amended or modified from time to prior to the Effective Date or as such agreement may be modified in accordance with its terms after the Effective Date, the "Successor Agreement"). Belisle & Associates LLC (the "Trustee") is named as the trustee of the Successor Entity.

G. On August 16, 1999, the Debtors filed the Affidavit of Laura Campbell Certifying the Ballots Accepting Or Rejecting the Debtors' Amended Joint Plan of Reorganization Dated June 28, 1999 (the "Voting Report"), attesting to and certifying the method and results of the ballot tabulation for the Classes of Claims and Interests (Classes 1, 4, and 5) voting to accept or reject the Plan.

H. On August 16, 1999, the Debtors filed with the Court the material documents to be entered into in connection with the Financing Transactions (collectively, the "Financing Transaction Documents").

I. On July 29, 1999 and pursuant to Section 9.2 of the Plan, the Debtors filed and served on each party to an executory contract and unexpired lease to be assumed as of the Effective Date a notice of the proposed amount of the cure payment due and owing to such party on account of such contract or lease under section 365 of the Bankruptcy Code. The following parties to an executory contract and unexpired lease have filed an objection to the proposed amount of such cure payment:

1. Bennett Management Corporation;

2. Austin Texas Retail Inc.;

3. Kmart Corporation:

4. New Plan Realty Trust;

5. Robin Realty & Management Company;

6. Albert Ropfogel;

7. Escondido Mart Company

8. LBL, Ltd.;,

9 The Klawsnik Living Trust;

10. Bank One Texas, N.A.;

11. First Street Limited Partnership;

12. Simon Property Group; and

13. US Fleet Leasing.

In addition, the Debtors have received notice from other parties that dispute the proposed amount of the cure payment due and owing to such party on account of such contract or lease under such section 365 of the Bankruptcy Code.

J. The Debtors received objections to confirmation (the "Objections") of the Plan from the following entities:

1. Angelina County, Bee County, Brown C.A.D., Brownsville I.S.D., Cameron County, Corsicana I.S.D., City of Del Rio, Ector County, Ellis County, City of El Paso, Erath County, Gray County, Gregg County, Harlingen C.I.S.D., City of Harlingen, Hidalgo County, Hood County, Kaufman County, Kingsville I.S.D., Kleberg County, Lamar C.A.D., McLennan County, Midland County, Nacogdoches County C.A.D., Navarro County, Navarro C.T.O., Nueces County, Parker County C.A.D., Round Rock I.S.D. , San Felipe-Del Rio C.I.S.D., Smith County, City of Stephenville, Stephenville I.S.D., Tom Green C.A.D., Val Verde County and Victoria County

2. Travis County, Texas, Austin Independent School District, City of Austin, Austin Community College.

3. City of Clute, Deer Park Independent School District, Fort Bend County--State of Texas, Fort Bend Independent School District, Harris County--State of Texas, City of Houston, Houston Independent School District, Katy Independent School District, Matagorda County-State of Texas, Montgomery County-State of Texas, North Forest Independent School District and City of Pearland.

4. County of Anderson, City of Palestine, Palestine Independent School District, Tax Appraisal District of Bell County, County of Brazos, City of Bryan, City of College Station, College Station Independent School District, Bryan Independent School District, County of Comal, County of Denton, County of Erath, Longview Independent School District, County of Guadalupe, County of Harrison, Marshall Independent School District, County of Henderson, Kerrville Independent School District, City of Waco, Waco Independent School District, Midland Central Appraisal District, County of Taylor, City of Abilene, Abilene Independent School District, County of Victoria, County of Williamson, Williamson County Emergency Service District #1 and Williamson County RFM (such entities and the entities referred to in subparagraphs 1, 2 and 3 of this paragraph J collectively are referred to as the "Texas Tax Authorities.").

5. Simon Property Group, L.P.

6. The Internal Revenue Service (the "IRS").

7. New Mexico Taxation and Revenue Department ("New Mexico").

K. On August 16, 1999, the Debtors filed a memorandum of law (the "Confirmation Memorandum") in support of confirmation of the Plan.

L. On August 16, 1999, the Company (subject to the approval of this Court) and Yorkshire Global Restaurants, Inc. (the "Purchaser") entered into the "Amendment to Amended and Restated Stock Purchase Agreement" in substantially the form of Exhibit A hereto (the "Amendment"). On August 16, 1999, the Debtors' filed with the Court certain modifications to the Plan, as set forth in paragraph 39 below.

M. On August 13, 1999, the Debtors sent: (a) a letter in the form attached hereto as Exhibit B hereto to each holder of a Class 1 Claim and (b) a letter in the form attached hereto as Exhibit C hereto to each holder of a Class 5 Claim, in each case informing such holders of the modifications to the Plan and the Stock Purchase Agreement. Based on the record of the Confirmation Hearing, the Creditors' Committee has determined that such modifications do not materially or adversely affect the Distributions to be made to holders of Allowed Class 4 Claims.

N. The Confirmation Hearing was held on August 18, 1999 at 9:30 a.m.

NOW, THEREFORE, based upon the Court's review of the Confirmation Memorandum, Affidavit of Mailing, and the Voting Report previously filed with the Court and upon (i) all of the evidence proffered or adduced and arguments of counsel made at the Confirmation Hearing and (ii) the entire record of these chapter 11 cases (the "Chapter 11 Cases"), and after due deliberation thereon and good cause appearing therefor:

FINDINGS OF FACT AND CONCLUSIONS OF LAW[1]

IT IS HEREBY FOUND AND DETERMINED THAT

1. Exclusive Jurisdiction; Venue; Core Proceeding (28 U.S.C. §§ 157, 1334(a), 1408 and 1409). This Court has jurisdiction over the Chapter 11 Cases pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409. Confirmation of the Plan is a core proceeding under 28 U.S.C. § 157(b)(2), and this Court has exclusive jurisdiction to determine whether the Plan complies with the applicable provisions of the Bankruptcy Code and should be confirmed.

2. Judicial Notice. This Court takes judicial notice of the docket of the Chapter 11 Cases maintained by the Clerk of the Court and/or its duly appointed agent, including, without limitation, all pleadings and other documents filed, all orders entered, and all evidence and arguments made, proffered or adduced at, the hearings held before the Court during the pendency of the Chapter 11 Cases, including, without limitation, the hearing to consider the adequacy of the Disclosure Statement.

3. Burden of Proof. The Debtors, as proponents of the Plan, have the burden of proving the elements of section 1129(a) by a preponderance of the evidence.

4. Transmittal and Mailing of Materials; Notice. The Solicitation Packages were transmitted and served in compliance with the Disclosure Statement Order and the Bankruptcy Rules, and such transmittal and service were adequate and sufficient. Adequate and sufficient notice of the Confirmation Hearing and the other dates and hearings described in the Disclosure Statement Order was given in compliance with the

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[1] Findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact when appropriate. See Fed. R. Bankr. P. 7052.

Bankruptcy Rules and the Disclosure Statement Order, and no other or further notice is or shall be required.

5. Plan Compliance with the Applicable Provisions of the Bankruptcy Code (11 U.S.C. § 1129(a)(1)). As set forth below, the Plan complies with the applicable provisions of the Bankruptcy Code, thereby satisfying section 1129(a)(1) of the Bankruptcy Code.

(a) Proper Classification of Claims and Interests (11 U.S.C. §§ 1122, 1123(a)(1)). In addition to Administrative Claims and Priority Tax Claims, which need not be classified, the Plan designates seven Classes of Claims and Interests. The Claims or Interests placed in each Class are substantially similar to other Claims or Interests, as the case may be, in such Class. Valid business, factual and legal reasons exist for separately classifying the various Classes of Claims and Interests created under the Plan, and such Classes do not unfairly discriminate among holders of Claims or Interests. Thus, the Plan satisfies sections 1122 and 1123(a)(1) of the Bankruptcy Code.

(b) Specification of Unimpaired Classes (11 U.S.C. § 1123(a)(2)). The Plan specifies that Classes 2 and 3 are not impaired under the Plan, thereby satisfying section 1123(a)(2) of the Bankruptcy Code.

(c) Specification of Treatment of Impaired Classes (11 U.S.C. § 1123(a)(3)). Article IV of the Plan designates Classes 1, 4, 5, 6 and 7 as impaired and specifies the treatment of Claims and Interests in those Classes, thereby satisfying section 1123(a)(3) of the Bankruptcy Code.

(d) Equal Treatment Within Classes (11 U.S.C. § 1123(a)(4)). The Plan provides for the same treatment by the Debtors for each Claim or Interest in a particular Class unless the holder of a particular Claim or Interest in such Class has

agreed to a less favorable treatment of its Claim or Interest, thereby satisfying section 1123(a)(4) of the Bankruptcy Code.

(e) Implementation of Plan (11 U.S.C. § 1123(a)(5)). The Plan provides adequate and proper means for implementation of the Plan, thereby satisfying section 1123(a)(5) of the Bankruptcy Code.

(f) Charter Provisions (11 U.S.C. § 1123(a)(6)). The respective Reorganized Certificate of Incorporation for each of the Reorganized Debtors, filed with the Court on June 28, 1999 as Exhibits D-1 and D-2, of the Plan, provides that any non-voting capital stock shall be issued in conformity of section 1123(a)(6) of the Bankruptcy Code, thereby satisfying section 1123(a)(6) of the Bankruptcy Code.

(g) Selection of Officers and Directors (11 U.S.C. § 1123(a)(7)). The Amended and Restated Certificate of Incorporation and the Amended and Restated By-Laws for each of the Reorganized Debtors provides that the board of directors of each Reorganized Debtor shall manage the business and affairs of the corporation and that the initial board of directors of each respective Reorganized Debtor will consist of one or more directors. The Amended and Restated By-Laws of each of the Reorganized Debtors provides that the board of directors shall elect the officers of each respective Reorganized Debtor, and that each Reorganized Debtor shall have a President, a Secretary, a Treasurer and such other officers or assistant officers as may from time to time be appointed by the board of directors. Because the Plan provides that, on the Effective Date, 100% of the issued and outstanding common stock of the Reorganized Company will be distributed to the Purchaser, and since the Purchaser will thereby acquire control of 100% of the common stock of each of the other Reorganized Debtors, the foregoing provisions of the Plan for the selection of directors and officers are

consistent with the interests of creditors and equity security holders and with public policy, thereby satisfying section 1123(a)(7) of the Bankruptcy Code.

(h) Rule 3016(a) of the Bankruptcy Rules. The Plan is dated and identifies the entities submitting it, thereby satisfying Bankruptcy Rule 3016(a).

6. Debtors' Compliance with the Applicable Provisions of the Bankruptcy Code (11 U.S.C. § 1129(a)(2)). The Debtors have complied with the applicable provisions of the Bankruptcy Code, thereby satisfying section 1129(a)(2) of the Bankruptcy Code. Specifically:

> (a) the Debtors are proper debtors under section 109 of the Bankruptcy Code and proper proponents of the Plan under section 1121(a) of the Bankruptcy Code;
>
> (b) the Debtors have complied with applicable provisions of the Bankruptcy Code, except as otherwise provided or permitted by orders of the Court; and
>
> (c) the Debtors have complied with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and the Disclosure Statement and the Disclosure Statement Order in transmitting the Solicitation Packages and in soliciting and tabulating votes on the Plan.

7. Plan Proposed in Good Faith (11 U.S.C. § 1129(a)(3)). The Debtors have proposed the Plan in good faith and not by any means forbidden by law, thereby satisfying section 1129(a)(3) of the Bankruptcy Code. In determining that the Plan has been proposed in good faith, the Court has examined the totality of the circumstances surrounding the filing of the Chapter 11 Cases, the negotiation and execution of the Stock Purchase Agreement and the formulation of the Plan. The Chapter 11 Cases were filed, the Stock Purchase Agreement was negotiated, and the Plan was proposed with the legitimate and honest purposes of reorganizing the Debtors and expeditiously making distributions to the Debtors' creditors. Furthermore, the Plan is the

product of months of extensive, arms' length negotiations among the Debtors, the Prepetition Lenders, the Creditors' Committee, the Purchaser and their respective counsel and financial advisors. The Plan reflects the results of these negotiations and is reflective of the interests of all of the estates' constituencies.

8. Payments for Services or Costs and Expenses (11 U.S.C. § 1129(a)(4)). Except as otherwise provided or permitted by the Plan, or certain orders of the Court, any payment made or to be made by the Debtors for services or for costs and expenses in or in connection with the Chapter 11 Cases, or in connection with the Plan and incident to the Chapter 11 Cases, has been approved by, or is subject to the approval of, the Court as reasonable, thereby satisfying section 1129(a)(4) of the Bankruptcy Code.

9. Directors, Officers, and Insiders (11 U.S.C. § 1129(a)(5)). The Debtors have complied with section 1129(a)(5) of the Bankruptcy Code. The Amended and Restated Certificate of Incorporation and the Amended and Restated By-Laws for each Reorganized Debtor provide that each Reorganized Debtor shall have a board of directors consisting of one (or in the case of QSC and LJS, one or more) members. The names and affiliations of each proposed officer and director of each of the Reorganized Debtors were disclosed to this Court in writing at or before the Confirmation Hearing. In addition, the name and affiliations of the Trustee of the Successor Entity were disclosed to this Court in writing at or before the Confirmation Hearing. The appointment to, or continuation in, such office of each of the proposed directors and officers of the Reorganized Debtors and the appointment of the Trustee under the Successor Agreement are consistent with the interests of creditors, equity security holders, and with public policy, thereby satisfying section 1129(a)(5) of the Bankruptcy Code.

10. No Rate Changes (11 U.S.C. § 1129(a)(6)). The Debtors' prices are not subject to governmental regulation. Thus, section 1129(a)(6) of the Bankruptcy Code is not applicable in these Chapter 11 Cases.

11. Best Interests of Creditors Test (11 U.S.C. § 1129(a)(7)). The Plan satisfies section 1129(a)(7) of the Bankruptcy Code. The liquidation analysis contained in Exhibit C to the Disclosure Statement and other evidence proffered or adduced at the Confirmation Hearing, including the testimony of Kevin Lavin of PriceWaterhouseCoopers, LLC ("PWC"), the Debtors' financial advisor, (i) are persuasive and credible, (ii) have not been controverted by other evidence or challenged, and (iii) establish that each holder of a Claim or Interest in an impaired Class either (x) has accepted the Plan or (y) will receive or retain under the Plan, on account of such Claim or Interest, property of a value, as of the Effective Date of the Plan, that is not less than the amount that it would receive if the Debtors were liquidated under chapter 7 of the Bankruptcy Code.

12. Acceptance by Certain Classes (11 U.S.C. § 1129(a)(8)). Each Class of Claims or Interests (other than Classes 6 and 7) either is not impaired under the Plan or has duly accepted the Plan in accordance with section 1126 of the Bankruptcy Code. With respect to Classes 6 and 7, the Plan satisfies the requirements of section 1129(b) of the Bankruptcy Code and thus may be confirmed without compliance with section 1129(a)(8) because the Plan does not discriminate unfairly against, and is fair and equitable with respect to, such Classes, each within the meaning of section 1129(b) of the Bankruptcy Code. The requisite holders (in number and dollar amount) of Allowed Class 1 Claims and Allowed Class 5 Claims have consented to the modifications to the Plan

and the Stock Purchase Agreement, and the requirements of section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 have been satisfied.

13. Treatment of Priority Claims (11 U.S.C. § 1129(a)(9)). The Plan's treatment of Allowed Administrative Claims, Allowed Priority Claims and Allowed Priority Tax Claims satisfies the requirements of sections 1129(a)(9)(A), (B) and (C) of the Bankruptcy Code, respectively. The Plan provides for the payment in full, in cash, on the later of the Effective Date or the date that is 10 Business Days after the date an order of the Bankruptcy Court is entered allowing such Administrative Claim, Priority Claim or Priority Tax Claim (other than a Federal Administrative/Priority Tax Claim) becomes a Final Order, of Allowed Administrative Claims, Allowed Priority Claims and Allowed Priority Tax Claims (other than Federal Administrative/Priority Tax Claims). The Plan provides that each holder of an Allowed Federal Administrative/Priority Tax Claim shall receive at the option of the Reorganized Debtors either (i) Cash equal to the amount of such Federal Administrative/Priority Tax Claim upon the later of (X) the Effective Date and (Y) the date that is 10 Business Days after the date an order of the Bankruptcy Court allowing such Federal Administrative/Priority Tax Claim becomes a Final Order, or (ii) equal semiannual Cash payments in arrears over a period not exceeding six (6) years from the date of assessment of such Claim, with simple interest at the deficiency rate as determined on the Effective Date under Section 6621(c) of the Tax Code or such other rates as may be fixed by Final Order of the Bankruptcy Court, until such claim is paid in full.

14. Acceptance of at Least One Impaired Class (11 U.S.C. § 1129(a)(10)). As set forth in the Voting Report, all of the impaired Classes of Claims voting under the Plan (i.e., Classes 1, 4, and 5) have voted to accept the Plan and, to the

Debtors' knowledge, they have accepted the Plan in requisite numbers and amounts without the need to include any acceptance of the Plan by any insider.

15. Feasibility (11 U.S.C. § 1129(a)(11)). The Plan satisfies section 1129(a)(11) of the Bankruptcy Code because confirmation of the Plan is not likely to be followed by liquidation or the need for further financial reorganization of the Reorganized Debtors. The Plan is based on the Stock Purchase Agreement whereby the Purchaser, an experienced operator of quick service restaurants with demonstrated financial wherewithal, is to acquire 100% of the common stock of the Reorganized Company. The Plan presents a workable scheme of reorganization and there is a reasonable probability that the provisions of the Plan will be performed. The Plan is found and determined to be feasible.

16. Payment of Certain Fees (11 U.S.C. § 1129(a)(12)). All fees payable on or before the Effective Date under 28 U.S.C. § 1930 either have been paid or will be paid on the Effective Date pursuant to Section 3.1(c) of the Plan. In addition, Section 3.1(c) of the Plan provides that all such fees payable after the Effective Date shall be paid by the Successor Entity. Accordingly, the Plan satisfies section 1129(a)(12) of the Bankruptcy Code.

17. Continuation of Retiree Benefits (11 U.S.C. § 1129(a)(13)). Pursuant to Section 7.14 of the Plan, the Reorganized Debtors shall continue each Assumed Plan and, to the extent any Assumed Plan includes distinct executory contracts with individual employees, assume such contracts subject to the same rights as the Debtors or Reorganized Debtors held or hold prior to, on or after the Petition Date to modify and/or terminate such Assumed Plans under applicable non-bankruptcy law. Thus, the Plan satisfies section 1129(a)(13) of the Bankruptcy Code.

18. Modifications to Plan. The modifications to the Plan set forth in paragraph 39 hereof, do not materially or adversely affect or change the treatment of any Claim or Interest, except with respect to any holder of a Class 1 Claim that has agreed to such modification in writing pursuant to Bankruptcy Rule 3019. Accordingly, pursuant to Rule 3019 of the Bankruptcy Rules, these modifications do not require additional disclosure under section 1125 of the Bankruptcy Code or the resolicitation of acceptances or rejections under section 1126 of the Bankruptcy Code (except as have been obtained in writing), nor do they require that holders of Claims or Interests be afforded an opportunity to change previously cast acceptances or rejections of the Plan as filed with the Bankruptcy Court.

19. Good Faith Solicitation (11 U.S.C. § 1125(e)). Based upon the record before the Court, the Debtors and their agents, counsel and financial advisors have solicited votes on the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code and are entitled to the protections afforded by section 1125(e) of the Bankruptcy Code and the exculpatory and injunctive provisions set forth in Article XII of the Plan.

20. No Objections to Assumed Contracts and Leases. Notwithstanding the objections to the cure payments described in paragraph I above, no non-Debtor party to any of the contracts, unexpired leases and employment agreements assumed pursuant to Article IX of the Plan (collectively, the "Assumed Contracts and Leases") has objected to its assumption. Pursuant to the terms of the Franchisee Stipulation, Consenting Franchisees (as defined in the Franchisee Stipulation) have, inter alia, consented to the assumption of the Franchise Agreements and other Assumed Contracts (each as defined in the Franchisee Stipulation). Upon the entry of this Order, (a) the franchisees of LJS

listed on Exhibit D hereto shall have become Consenting Franchisees under the Franchisee Stipulation and (b) Schedule IV to the Franchisee Stipulation (i.e., the schedule of Consenting Lenders) shall be amended in its entirety by the Schedule attached as Exhibit E hereto. LJS is authorized, as of the Effective Date, to: (w) assume the lease agreement, dated as of June 4, 1976 (as amended from time to time), with IPF/Washington, L.P. and assign such agreement to BR Associates, Inc.; (x) assume the lease agreement, dated as of March 26, 1987 (as amended from time to time) with Glimcher Properties Limited Partnership and assign such agreement to Radcliff Co., Inc. and (y) assume the lease agreement dated as of September 6, 1983 with PAI Village Market Orange, Limited Partnership and assign such agreement to Syed and Ramin Rahael, and LJSR is authorized, as of the Effective Date, to assume the lease agreements, dated of March 12, 1976 (as amended from time to time) with Skyline Enterprises and assign such agreements to BR Associates, Inc.; provided, that the assumption and assignment of each of the foregoing agreements are conditioned on (i) the consent of the non-Debtor party thereto to the assignment to the applicable assignee and (ii) the acceptance by the applicable assignee of the terms of such assignment, in each case on or before the Effective Date.

21. Substantive Consolidation of Debtors is in the Best Interests of the Debtors' Estates. Creditors of the Debtors dealt with the Debtors as a single economic unit and did not rely on the separate identities of the Debtors in extending credit thereto. The Debtors have common management, employees, books, records and businesses, share a cash management system and are subject to common ownership and enterprise control. The substantive consolidation of the Debtors' estates pursuant to Section 7.11 of the Plan is in the best interests of the Debtors, their estates, their creditors and other

parties in interest and will avoid the Debtors' incurrence of unnecessary expenses and facilitate the Debtors' successful emergence from chapter 11.

22. Documentation. The execution, delivery and consummation of any documentation (including, without limitation, instruments of transfer) evidencing the transfer of Excluded Assets (including, without limitation, Excluded Assets constituting real property) by the Debtors to the Successor Entity and its designees pursuant to the Plan, may not be taxed under any law imposing a stamp tax, sales and use tax or similar tax pursuant to section 1146(c) of the Bankruptcy Code (including, without limitation, transfer and recordation taxes).

23. Tax Provisions. Pursuant to section 1146(c) of the Bankruptcy Code (i) the issuance and transfer of the Shares, (ii) the execution, delivery, filing or recording of any mortgage, deed of trust, leasehold mortgage, financing statement or other security interest or other instrument in connection with the Financing Transactions and (iii) the making, execution, delivery, filing or recording of any agreement or instrument in furtherance of, or in connection with, the Plan, including any merger agreements, agreements of consolidation, restructuring, disposition, liquidation or dissolution, deeds, leases, bills of sale, or assignments executed in connection with the Stock Purchase Agreement and the Financing Transactions, are under the Plan and will not be subject to any stamp tax, sales and use tax or similar tax (including, without limitation, transfer and recordation tax); provided that in the event that any such tax shall be payable, (x) the Successor Entity shall pay all such Taxes (other than Taxes arising from the recognition of gain from such transfer) arising from the transfer of assets from the Debtors to the Successor Entity on the Effective Date (and the transfer of Excluded

Assets to third parties) and (y) the Reorganized Debtors shall be obligated to pay any other such amount.

24. Satisfaction of Confirmation Requirements. The Plan satisfies all the requirements for confirmation set forth in section 1129(a) of the Bankruptcy Code, other than the requirements of subsection (8) thereof. The requirements of section 1129(b) of the Bankruptcy Code are satisfied as to Class 6 and Class 7 because (a) there is no class of Claims or Interests junior to such Classes retaining or receiving any property and (b) the Plan is fair and equitable, and does not discriminate unfairly with respect to such Classes.

25. Conditions to Confirmation. This Order shall satisfy the requirements of Section 10.1 of the Plan that: (i) the Bankruptcy Court shall have entered the Confirmation Order in form and substance satisfactory to the Debtors, the Prepetition Agent, the Creditors' Committee and insofar as this Order relates to or concerns the Stock Purchase Agreement and the transactions to be consummated under the Plan and the Stock Purchase Agreement, in form and substance satisfactory to the Purchaser; and (ii) the Stock Purchase Agreement has not been terminated and remains binding on LJSR and the Purchaser.

26. Retention of Jurisdiction. The Court may properly retain jurisdiction over the matters set forth in Article XIII of the Plan and paragraph 61 below.

DECREES

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, DECREED AND DETERMINED THAT,

27. Confirmation. The Plan (as modified by the modifications set forth in paragraph 39 hereof), is confirmed under section 1129 of the Bankruptcy Code. All objections to the Plan not heretofore withdrawn are overruled in their entirety.

28. Provisions of Plan and Order Nonseverable and Mutually Dependent. The provisions of the Plan and this Confirmation Order, including the findings of fact and conclusions of law set forth herein, are nonseverable and mutually dependent.

29. Plan Classification Controlling. The classification of Claims and Interests for purposes of the Distributions to be made under the Plan shall be governed solely by the terms of the Plan. The classifications and amounts of Claims, if any, set forth on the Ballots tendered to or returned by the Debtors' creditors in connection with voting on the Plan (i) were set forth on the Ballots solely for purposes of voting to accept or reject the Plan, (ii) do not necessarily represent, and in no event shall be deemed to modify or otherwise affect, the actual classification of such Claims or Interests under the Plan for distribution purposes, and (iii) shall not be binding on the Debtors, their estates, the Reorganized Debtors or the Successor Entity.

30. Substantive Consolidation of the Debtors. For all purposes related to the Plan, including, without limitation, with respect to voting, confirmation, Distributions and administration, subject to the occurrence of the Effective Date, (i) all assets and liabilities of Abbott Advertising Agency, Inc., Florenz, Inc., Long John Silver's Properties, Inc., QSC and LJS shall be deemed merged or treated as though they were merged into and with the assets and liabilities of LJSR, (ii) no Distributions shall be made under the Plan on account of intercompany Claims among the Debtors and such claims shall be discharged on the Effective Date and deemed contributed by the holder

thereof to the capital of the Debtors against which such Intercompany Claim is held, (iii) no Distributions shall be made under the Plan on account of any Interest in any Subsidiary, (iv) all guarantees of the Debtors of the obligations of any other Debtor shall be deemed eliminated so that any Claim against any Debtor and any guarantee thereof executed by any other Debtor and any joint or several liability of any of the Debtors shall be deemed to be one obligation of the consolidated Debtors, and (v) each and every Claim filed or to be filed in the Chapter 11 Case of any of the Debtors shall be deemed filed against the consolidated Debtors, and shall be deemed one Claim against and obligation of the consolidated Debtors. Notwithstanding the foregoing, such substantive consolidation shall not (other than for purposes related to the Plan) affect (i) the legal and corporate structure of the Reorganized Debtors, (ii) any Interest in any Subsidiary and (iii) the pre- and post-Petition Date guarantees that are required to be maintained (x) in connection with executory contracts or unexpired leases that were entered into during the Chapter 11 Cases or that have been assumed, (y) pursuant to the Plan, or (z) in connection with the Financing Transactions to be entered into by the Reorganized Debtors on the Effective Date.

31. Discharge. Except as otherwise provided in this Confirmation Order, the rights afforded under the Plan and the treatment of Claims and Interests under the Plan will be in exchange for, and in complete satisfaction, discharge and release of, all Claims and termination of all Interests. Except as otherwise expressly provided in the Plan or this Confirmation Order, entry of this Confirmation Order shall act as a discharge effective as of the Effective Date of any and all Claims against or Interests in the Debtors or any of their assets that arose at any time before the entry of the Confirmation Order.

The discharge shall be effective as to each Claim and Interest except as otherwise expressly provided in the Confirmation Order, regardless of whether:

(a) a proof of claim based on such debt or liability is filed or deemed filed under section 501 of the Bankruptcy Code;

(b) a Claim based on such Claim, Interest, debt or liability is Allowed; or

(c) the holder of a Claim based on such Claim, Interest, debt or liability has accepted the Plan.

32. Limitation of Liability. Notwithstanding any provision of the Plan, none of (i) the Debtors, (ii) the Reorganized Debtors, (iii) the Successor Entity, (iv) the Creditors' Committee, (v) any member of the Creditors' Committee during the Chapter 11 Cases, (vi) the Franchisee Committee, (vii) any member of the Franchisee Committee during the Chapter 11 Cases, (viii) the Purchaser, (ix) AWRI, (x) the Prepetition Agent, (xi) the Prepetition Lenders, (xii) the Steering Committee, (xiii) any member of the Steering Committee during the Chapter 11 Cases, (xiv) the Postpetition Agent, (xv) the Postpetition Lenders, (xvi) the holders of Common Stock, Preferred Stock and Subordinated Note Claims and (xvii) the directors, officers, agents, representatives, accountants, financial advisors, attorneys or employees of any of the foregoing shall have or incur any liability for actions taken or omitted to be taken in good faith under or in connection with the Plan or in connection with the Chapter 11 Cases or the operation of the Debtors during the pendency of the Chapter 11 Cases or after the Effective Date. The Successor Entity, the Debtors and each of their respective officers, directors, employees, agents, attorneys and advisors are forever released and discharged from any and all claims, causes of action and liabilities arising from or related to any Tax Claim or

determination thereof except as otherwise provided for in this Confirmation Order or in Section 3.1 of the Plan.

33. Cancellation and Surrender of Instruments, Securities, and Other Documentation. On the Effective Date, all Preferred Stock, Common Stock, Subordinated Notes, Bank Notes, the Related Stock Agreements, and any other rights to acquire Common Stock, Preferred Stock, Subordinated Notes, Bank Notes, warrants, warrant agreements or other interests shall be deemed canceled and of no further force or effect without any further action on the part of the Bankruptcy Court or any Person. The holders of instruments, securities and other documentation evidencing such canceled Claims or Interests shall have no rights arising from or relating to such instruments, securities or other documentation or the cancellation thereof, except the rights provided pursuant to the Plan. On the Effective Date, other than as expressly stated in this Confirmation Order or the Plan, all incentive benefit plans of any Debtor, including, without limitation, (i) the Senior Management Stock Option Plan; (ii) the Long Term Incentive Plan; (iii) the Senior Management Motivation and Retention Plan and (iv) each stock appreciation rights or similar program (together with the plans specified in clauses (i), (ii) and (iii), the "Canceled Plans") shall be terminated and canceled whereupon the Reorganized Debtors shall not be bound by the terms of Canceled Plans and shall not be liable for any Claim arising from or related to the termination of the Canceled Plans. Nothing contained in the Plan shall limit the right of the Reorganized Debtors to modify or terminate any other stock incentive plan or plan adopted (other than each Employment Agreements approved under the Retention and Severance Order) or to adopt any additional stock option, incentive or other benefit plans or programs in accordance with

applicable non-bankruptcy law and the Reorganized Debtor's then-existing bylaws and charter.

34. Binding Effect. Pursuant to section 1141 of the Bankruptcy Code, effective as of the Confirmation Date, but subject to the occurrence of the Effective Date, and except as expressly provided in the Plan or this Confirmation Order, the provisions of the Plan (including the exhibits to, and all documents and agreements executed pursuant to, the Plan) and this Confirmation Order shall be binding on (i) the Debtors, (ii) the Reorganized Debtors, (iii) the Successor Entity, (iv) all holders of Claims against and Interests in the Debtors, whether or not impaired under the Plan and whether or not, if impaired, such holders accepted the Plan, and (v) each person acquiring property under the Plan.

35. Revesting of Assets. Except as otherwise expressly provided in the Plan or this Confirmation Order, on the Effective Date, the Reorganized Debtors shall be vested with all assets of the Debtors (other than the Excluded Assets, the rights, title and interest of any Debtor transferred to the Successor Entity pursuant to the Plan or the Successor Agreement or any right, title or interest of LJSR or the Reorganized Company transferred to the Successor Entity under the Stock Purchase Agreement, all of which shall vest in the Successor Entity) free and clear of all Liens, Claims, charges, encumbrances and other interests of creditors and equity security holders arising prior to the Effective Date. The Reorganized Debtors may operate their businesses free of any restrictions imposed by the Bankruptcy Code, the Bankruptcy Rules or by the Court, subject only to the terms and conditions of the Plan and the Stock Purchase Agreement.

36. Injunction. Except as otherwise expressly provided in the Plan, this Confirmation Order, or a separate order of the Bankruptcy Court, all entities who

have held, hold, or may hold Claims against or Interests in the Debtors which arose before or were held as of the Effective Date, are permanently enjoined, on and after the Effective Date, from (i) commencing or continuing in any manner any action or other proceeding of any kind against the Debtors, the Successor Entity or the Reorganized Debtors, with respect to any such Claim or Interest, (ii) the enforcement, attachment, collection, or recovery by any manner or means of any judgment, award, decree, or order against the Debtors, the Successor Entity or the Reorganized Debtors on account of any such Claim or Interest, (iii) creating, perfecting, or enforcing any encumbrance of any kind against the Debtors or against the property or interests in property of the Debtors, the Successor Entity or the Reorganized Debtors on account of any such Claim or Interest and (iv) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from the Debtors, the Successor Entity or the Reorganized Debtors or against the property or interests in property of the Debtors, the Successor Entity or the Reorganized Debtors on account of any such Claim or Interest.

37. Continuation of Automatic Stay. Except as otherwise expressly provided in the Plan, this Confirmation Order or a separate Order of the Bankruptcy Court, all injunctions or stays provided for in the Chapter 11 Cases under sections 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect through and including the Effective Date.

38 Assumed Contracts and Leases. Other than executory contracts and unexpired leases which (i) have been rejected prior to, or are the subject of a motion to reject pending on, the Confirmation Date, (ii) are listed on the Rejection Schedule, (iii) are Purchaser Designated Rejected Leases or (iv) have expired or terminated pursuant to

their own terms during the pendency of the Chapter 11 Cases, all of the executory contracts and unexpired leases that exist between the Debtors and any person are specifically assumed as of the Effective Date pursuant to the Plan. The Successor Entity, except as otherwise agreed by the parties or ordered by the Court, will cure any and all undisputed defaults within 30 days of the Effective Date under any executory contract or unexpired lease or employment agreement assumed pursuant to the Plan in accordance with the Cure Payment Schedule. The Successor Entity shall make all payments to the Consenting Franchisees under paragraph 2 of the Franchisee Stipulation within 30 days of the Effective Date and shall provide counsel to the Franchisee Committee with a schedule of such payments at the time they are made. All disputed defaults that are required to be cured shall be cured by the Successor Entity either within 30 days of the entry of a Final Order determining the amount, if any, of the Debtors' or the Reorganized Debtors' liability with respect thereto, or as may otherwise be agreed to by the parties.

39. Modifications To Plan. At the request of its proponents, the Plan is hereby modified pursuant to section 1127(a) of the Bankruptcy Code as follows:

(a) Section 2.2 is amended by deleting the definition of "Closing Consideration" and inserting in lieu thereof: ""Closing Consideration" means the Purchase Price."

(b) Section 2.2 is further amended by deleting the definitions for "Estimated Purchase Price", "Estimated Purchase Price Notice", "Purchase Price Adjustment", "Purchase Price Escrow Agent", "Purchaser Price Escrow Agreement" and "Purchase Price Escrow Amount".

(c) Section 2.2 is further amended by adding the following definitions immediately following the definition of "Provident Facility":

(i) ""Purchase Price" means the "Purchase Price" as calculated by the Debtors pursuant to the Stock Purchase Agreement and set forth in the Purchase Price Notice."